



**Otago
Regional
Council**

**Otago Regional Council
Rates Remissions and Postponement
Policy**

1 PURPOSE

The Otago Regional Council carries out its rating function in accordance with the requirements of the Local Government (Rating) Act 2002, and the Local Government Act 2002.

This document provides the policy framework for granting remissions and postponing the payment of rates.

2 REMISSIONS POLICY

2.1. Review of Remissions

All remissions will be reviewed on at least a three-yearly basis, to ensure that the circumstances under which the remissions were granted continues to exist. Notification of any change in the circumstances of a rating unit, e.g. change of ownership, will also give rise to the review of any remissions applying to that rating unit, at the time of notification of the change.

2.2. Delegated Authority

The General Manager Corporate Services has the delegated authority to consider and decide upon all applications received for remission of rates, and to determine the amount of remission that may be granted.

2.3. Remission of Penalties

Penalties of 10% are charged to all unpaid rate account balances twice a year. Circumstances may arise where it is fair and appropriate to remit some, or all of the penalties charged to a ratepayers account. The General Manager Corporate Services has the delegated authority to determine these remissions.

Objective

The objective of this part of the policy is to enable Council to be fair and reasonable in considering all circumstance that may give rise to non-payment of penalties that have been charged to a ratepayers account.

Conditions and Criteria

Remissions of penalties will be considered in circumstances including, illness, accident, and bereavement. The ratepayer will be required to apply for the remission of penalties, and the General Manager Corporate Services will decide each application, on its merits.

Where payment arrangements have been agreed with the Council prior to penalty date, providing the arrangements are complied with, penalties imposed relating to any payment arrangements will be remitted.

Remissions of penalties for circumstances other than those mentioned above, will be granted at the discretion of the General Manager Corporate Services.

2.4. Application for Remission of Rates

Remission of rates will be considered on receipt of an application for remission the application should include the following documentation as appropriate:

- Information on activities
 - Financial information, e.g. financial statements
 - Details of membership
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3 POSTPONEMENTS POLICY

3.1. Review of Postponement of Rates

All postponements of rates will be reviewed on a six-monthly basis, to ensure that the terms under which any postponement of rates were granted, are being complied with. Notification of any change in the circumstances of a rating unit, e.g. change of ownership, will also give rise to the review of any postponements applying to that rating unit, at the time of notification of the change.

3.2. Postponement for Financial Hardship

Objective

The objective of this part of the policy is to assist ratepayers who are experiencing financial hardship, which affects their ability to pay rates.

Conditions and Criteria

Rates on rating units used solely for residential purposes only, may be eligible for consideration for postponement of rates.

Postponement of rates will be considered in circumstances of financial hardship. The ratepayer will be required to apply in writing for the postponement of rates, and the General Manager Corporate Services will decide each application, on its merits.

Any postponed rates will be postponed until either of the following occurs:

- The death of the ratepayer
- The ratepayer ceases to be the owner or occupier of the rating unit
- The ratepayer no longer uses the rating unit as his or her residence;

OR

- Some other time as determined by the General Manager Corporate Services.

A postponement fee to cover administration and financial costs may be charge on postponed rates, in accordance with Section 88 of the Local Government (Rating) Act 2002.

Penalties will not be charged on unpaid balances of postponed rates.

Postponed rates will be registered as a statutory land charge on the rating unit title. This means that the Council will have first call on the proceeds of any revenue from the sale or lease of the rating unit.

3.3. Delegated Authority

The General Manager Corporate Services has been given the delegated authority to consider and decide upon all applications received for postponement of rates, and to determine the terms under which the postponement may be granted.

POLICY ON REMISSION AND POSTPONEMENT OF RATES ON MĀORI FREEHOLD LAND

1 PURPOSE

The Otago Regional Council carries out its rating function in accordance with the requirements of the Local Government (Rating) Act 2002, the Local Government Act 2002, and other relevant legislation.

The Local Government Act 2002 requires Council to adopt a policy on the Remission and Postponement of Rates on Maori Freehold Land. This policy outlines Council's approach to these.

Note is made that Council has a "Rates Remission and Postponement Policy", and its provisions apply to all land in Otago, including Maori Freehold Land.

2 REMISSION OF RATES ON MĀORI FREEHOLD LAND

It is Council's policy that Council's Rates Remissions policy is adopted as the policy for the remission of rates on Maori Freehold Land.

3 POSTPONEMENT OF RATES ON MĀORI FREEHOLD LAND

It is Council's policy that Council's Postponement Policy is adopted as the policy for the postponement of rates on Maori Freehold Land.
